

# The 1999-01 State Budget

## GOVERNOR'S PRIORITIES

*Make student achievement, better schools, the highest priority*  
*Expand access to college education*  
*Expand affordable health care programs for children and working families*  
*No new taxes*  
*Maintain a responsible reserve*

## LEGISLATIVE ACTION

### The 1999-01 Budget Adds \$927 Million for Education

- ▶ Yet holds the growth of state spending to lowest level in 30 years. The budget spends \$75 million less than permitted by the Initiative 601 spending limit and retains a \$688 million reserve.

### Welfare Savings \$246 Million

- ▶ From exceeding state and federal performance standards for caseload reduction, and putting people on welfare to work, aid education and employment programs.

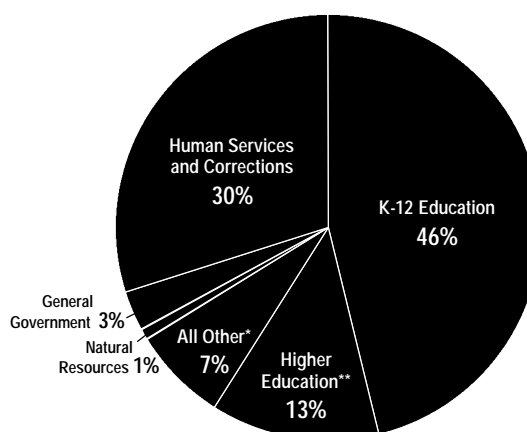
### Tobacco Settlement of \$165 Million

- ▶ Maintains Basic Health Plan for working families, expands Medicaid coverage for kids in low-income households.

### Final Package of Savings and Reductions Total \$606 Million

- ▶ Close to the target set when the Governor proposed his budget in December.

**1999-01 Budget Distribution**  
 State General Fund Only ♦ Total = \$20.575 Billion



\*Transportation, Debt Service, Retirement

\*\*Also Includes Library and Other Education Agencies

### The 1999-01 Budget

I-601 Limit = \$20.650 Billion

